

UNITED STATES BANKRUPTCY COURT

MOR-1
CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-lmc-11
PROPOSED PLAN DATE:

PETITION DATE: 10/06/09
DISTRICT OF TEXAS: Western
DIVISION: San Antonio

MONTHLY OPERATING REPORT SUMMARY FOR MONTH

	MONTH	Oct-09	Nov-09	Dec-09	Jan-10	YEAR	2010
REVENUES (MOR-6)		94,707.80	108,482.34	122,706.41	89,254.68	0.00	0.00
INCOME BEFORE INT. DEPRECIATION (MOR-6)		53,633.36	44,953.62	19,738.30	-34,716.47	0.00	0.00
NET INCOME (LOSS) (MOR-6)		53,633.36	44,953.62	19,738.30	-34,716.47	0.00	0.00
PAYMENTS TO INSIDERS (MOR-9)		0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS TO PROFESSIONALS (MOR-9)		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL DISBURSEMENTS (MOR-8)		41,074.44	62,528.72	92,851.83	137,331.14	0.00	0.00

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

REQUIRED INSURANCE MAINTAINED AS OF SIGNATURE DATE		EXP. DATE
CASUALTY	YES X NO	-
LIABILITY	YES X NO	-
VEHICLE	YES X NO	-
WORKERS	YES X NO	-
WELL Control	YES X NO	-

Are all accounts receivable being collected within terms? ☒ Yes ☐ No
Are all post-petition liabilities, including taxes, being paid within terms? ☒ Yes ☐ No
Have all tax returns and other required government filings been timely paid? ☒ Yes ☐ No
Have any pre-petition liabilities been paid? ☒ Yes ☐ No
If so, describe: _____
Are all funds received being deposited into Debtor's Possession bank accounts? ☒ Yes ☐ No
Were any assets disposed of outside the normal course of business? ☒ Yes ☐ No
If so, describe: _____
Are all U.S. Trustee Quarterly Fee Payments current? ☒ Yes ☐ No
What is the status of your Plan of Reorganization? _____

ATTORNEY NAME: R. Glen Ayres, Jr.
FIRM NAME: Langley and Banack, Inc.
ADDRESS: 745 E. Mulberry, 9th Floor
CITY, STATE, ZIP: San Antonio, TX 78212
TELEPHONE/FAX: (210) 736-6600 / (210) 736-6889

INITIALS _____
DATE _____
UST USE ONLY

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.
SIGNED: Demetrius Spencer TITLE: President
(ORIGINAL SIGNATURE)
DATE: December 22, 2009
(Print Name of Signatory)

MOR-1

CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-lmc-11

COMPARATIVE BALANCE SHEETS

ASSETS	FILING DATE 10/6/09	MONTH Oct-09	MONTH Nov-09	MONTH Dec-09	MONTH Jan-10	MONTH	MONTH
CURRENT ASSETS							
Cash	-14,255.32	44,415.35	90,569.69	120,424.53	60,348.01		
Accounts Receivable, Net	127,000.00	127,000.00	127,000.00	127,000.00	127,000.00		
Inventory: Lower of Cost or Market							
Prepaid Expenses							
Investments							
Other							
TOTAL CURRENT ASSETS	112,744.68	171,415.35	217,569.69	247,424.53	187,348.01	0.00	0.00
PROPERTY, PLANT & EQUIP. @ COST	6,811,200.00	6,811,200.00	6,811,200.00	6,811,200.00	6,811,200.00		
Less Accumulated Depreciation							
NET BOOK VALUE OF PP & E	6,811,200.00	6,811,200.00	6,811,200.00	6,811,200.00	6,811,200.00	0.00	0.00
OTHER ASSETS							
1. Tax Deposits							
2. Investments in Subsidiaries							
3. Electric Deposit	55,000.00	55,000.00	55,000.00	55,000.00	55,000.00		
4. Batchelder	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00		
TOTAL ASSETS	\$7,128,944.68	\$7,187,615.35	\$7,233,769.69	\$7,263,624.53	\$7,203,548.01	\$0.00	\$0.00

* Per Schedules and Statement of Affairs

MOR-2

Revised 11/08/05

CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-lmc-11

COMPARATIVE BALANCE SHEETS

LIABILITIES & OWNER'S EQUITY	FILING DATE*	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	10/6/09					Jan-10	
LIABILITIES							
POST-PETITION LIABILITIES(MOR-4)	0.00	0.00					
PRE-PETITION LIABILITIES							
Notes Payable - Secured	7,753,518.21	7,753,518.21	7,753,518.21	7,753,518.21	7,753,518.21		
Priority Debt							
Federal Income Tax							
FICA/Withholding							
Unsecured Debt: See Amended Schedule	486,095.46	486,095.46	486,095.46	486,095.46	486,095.46		
Other							
TOTAL PRE-PETITION LIABILITIES	8,239,613.67	8,239,613.67	8,239,613.67	8,239,613.67	8,239,613.67	0.00	0.00
TOTAL LIABILITIES	8,239,613.67	8,239,613.67	8,239,613.67	8,239,613.67	8,239,613.67	0.00	0.00
OWNER'S EQUITY (DEFICIT)							
PREFERRED STOCK							
COMMON STOCK							
ADDITIONAL PAID-IN CAPITAL		4,825.00					
RETAINED EARNINGS: Filing Date							
RETAINED EARNINGS: Post Filing Date							
TOTAL OWNER'S EQUITY (NET WORK)	0.00	4,825.00	98,586.98	118,323.28	83,606.81	0.00	0.00
TOTAL							
LIABILITIES & OWNERS EQUITY	\$8,239,613.67	\$8,244,438.67	\$8,338,200.65	\$8,357,936.95	\$8,323,220.48	\$0.00	\$0.00

* Per Schedules and Statement of Affairs

MOR-3

Revised 11/08/05

CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-Imc-11

SCHEDULE OF POST-PETITION LIABILITIES

	MONTH Oct-09	MONTH Nov-09	MONTH Dec-09	MONTH Jan-10	MONTH	MONTH
TRADE ACCOUNTS PAYABLE	0.00					
TAX PAYABLE						
Federal Payroll Taxes						
State Payroll Taxes						
Ad Valorem Taxes						
Other Taxes						
TOTAL TAXES PAYABLE	0.00	0.00	0.00	0.00	0.00	0.00
SECURED DEBT POST-PETITION						
ACCRUED INTEREST PAYABLE						
ACCRUED PROFESSIONAL FEES *						
OTHER ACCRUED LIABILITIES						
1.						
2.						
3.						
TOTAL POST-PETITION LIABILITIES (MOR-3)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

*Payment requires Court Approval

MOR-4

Revised 11/08/05

CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-INC-11

AGING OF POST-PETITION LIABILITIES
MONTH January 2010

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM, OTHER TAXES	
0-30	0.00	0.00				
31-60	0.00					
61-90	0.00					
91+	0.00					
TOTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

AGING OF ACCOUNTS RECEIVABLE

MONTH						
0-30 DAYS						
31-60 DAYS						
61-90 DAYS						
91+ DAYS						
TOTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

MOR-5

Revised 11/08/05

CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-lmc-11

STATEMENT OF INCOME (LOSS)

	MONTH Oct-09	MONTH Nov-09	MONTH Dec-09	MONTH Jan-10	MONTH	MONTH	FILING TO DATE
REVENUES (MOR-1)	94,707.80	108,482.34	122,706.41	89,254.68			415,151.23
TOTAL COST OF REVENUES	38,569.62	62,900.64	92,616.57	89,298.70			283,385.53
GROSS PROFIT	56,138.18	45,581.70	30,089.84	-44.02	0.00	0.00	131,765.70
OPERATING EXPENSES:							
Selling & Marketing							0.00
General & Administrative	2,504.82	628.08	753.54	34,672.45			38,558.89
Insiders Compensation							0.00
Professional Fees			9,600.00				9,600.00
Other							0.00
Other							0.00
TOTAL OPERATING EXPENSES	2,504.82	628.08	10,353.54	34,672.45	0.00	0.00	48,158.89
INCOME BEFORE INT. DEPR/TAX (MOR-1)	53,633.36	44,953.62	19,736.30	-34,716.47	0.00	0.00	83,606.81
INTEREST EXPENSE							0.00
DEPRECIATION							0.00
OTHER (INCOME) EXPENSE*							0.00
OTHER ITEMS**							0.00
TOTAL INT. DEPR & OTHER ITEMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET INCOME BEFORE TAXES	53,633.36	44,953.62	19,736.30	-34,716.47	0.00	0.00	83,606.81
FEDERAL INCOME TAXES							0.00
NET INCOME (LOSS) (MOR-1)	\$53,633.36	\$44,953.62	\$19,736.30	(\$34,716.47)	\$0.00	\$0.00	\$83,606.81

Accrual Accounting Required, Otherwise Footnote with Explanation.

* Footnote Mandatory.

** Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

MOR-6

Revised 11/05/05

CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-Inc-11

CASH RECEIPTS AND DISBURSEMENTS		MONTH Oct-09	MONTH Nov-09	MONTH Dec-09	MONTH Jan-10	MONTH	MONTH	FILING TO DATE
1. CASH-BEGINNING OF MONTH		(\$14,255.32)	\$44,415.35	\$90,569.66	\$120,424.47	\$60,348.01	\$60,348.01	(\$14,255.32)
RECEIPTS								
2. CASH SALES		92,762.80	105,502.04	114,905.68	87,081.29			400,251.81
3. COLLECTION OF ACCOUNTS RECEIVABLE		1,945.00	2,980.30	7,615.60	1,945.00			14,485.90
4. LOANS & ADVANCES (attach list)		4,825.00						4,825.00
5. SALE OF ASSETS								0.00
6. OTHER (attach list)		212.31	200.69	185.16	228.39			826.55
TOTAL RECEIPTS**		99,745.11	108,683.03	122,706.44	89,254.68	0.00	0.00	420,389.26
(Withdrawals) Contribution by Individual Debtor MFR-2*					-12,000.00			-12,000.00
DISBURSEMENTS:								
7. NET PAYROLL					13,200.00			13,200.00
8. PAYROLL TAXES PAID								0.00
9. SALES, USE & OTHER TAXES PAID		11.53	10.17	12.95	500.00			534.65
10. SECURED/RENTAL LEASES		2,972.64	16,130.51	18,091.03	550.00			37,744.18
11. UTILITIES & TELEPHONE		9,134.96	6,006.40	7,192.49	6,061.67			28,395.52
12. INSURANCE		0.00	10,851.44	5,317.09	8,281.76			24,450.29
13. INVENTORY PURCHASES								0.00
14. VEHICLE EXPENSES		377.57			340.45			718.02
15. TRAVEL & ENTERTAINMENT		870.00	2,105.20	111.66	293.78			3,380.64
16. REPAIRS, MAINTENANCE & SUPPLIES		9,707.64	11,580.90	27,605.58	74,405.17			123,299.29
17. ADMINISTRATIVE & SELLING		2,127.25	628.08	753.54	2,571.57			6,080.44
18. ADEQUATE PROTECTION PAYMENT(S)								0.00
19. OTHER (attach list)		15,872.85	15,216.02	24,167.29	30,151.74			85,407.90
TOTAL DISBURSEMENTS FROM OPERATIONS		41,074.44	62,528.72	83,251.63	136,356.14	0.00	0.00	323,210.93
20. PROFESSIONAL FEES				9,600.00				9,600.00
21. U.S. TRUSTEE FEES					975.00			975.00
22. OTHER REORGANIZATION EXPENSES (attach list)								0.00
TOTAL DISBURSEMENTS**		41,074.44	62,528.72	92,851.63	137,331.14	0.00	0.00	333,785.93
23. NET CASH FLOW		58,670.67	46,154.31	29,854.81	-60,076.46	0.00	0.00	74,603.33
24. CASH - END OF MONTH (MOR-2)		\$44,415.35	\$90,569.66	\$120,424.47	\$60,348.01	\$60,348.01	\$60,348.01	\$60,348.01

* Applies to Individual debtors only

**Numbers for the current month should balance (match)

RECEIPTS and CHECKS/OTHER DISBURSEMENTS lines on MOR-8

MOR-7

Revised 11/08/05

CASE NAME: Rawhide Operating, Inc.
CASE NUMBER: 09-53953-Intc-11

CASH ACCOUNT RECONCILIATION

MONTH OF January-10

BANK NAME	Int. Bank of Commerce #15926	Wells Fargo #7581	Wells Fargo #8084	Wells Fargo #2920	
ACCOUNT NUMBER					
ACCOUNT TYPE	OPERATING	PRODUCTION	BUILDING	MMA	TOTAL
BANK BALANCE	65,179.52	3,534.75	5,713.09	221.06	\$74,648.42
DEPOSITS IN TRANSIT					\$0.00
OUTSTANDING CHECKS	6,038.29	3,122.52	5,139.60		\$14,300.41
ADJUSTED BANK BALANCE	\$59,141.23	\$412.23	\$573.49	\$221.06	\$60,348.01
BEGINNING CASH - PER BOOKS	118,185.83	368.46	1,643.20	227.04	\$120,424.53
RECEIPTS*	101,801.83		1,945.00	0.02	\$103,746.85
TRANSFERS BETWEEN ACCOUNTS (WITHDRAWAL) OR CONTRIBUTION BY INDIVIDUAL DEBTOR MFR-2	-19,826.98	14,600.00	5,226.98		\$0.00
CHECKS/OTHER DISBURSEMENTS*	129,019.45	14,556.23	8,241.69	6.00	\$151,823.37
ENDING CASH - PER BOOKS	\$59,141.23	\$412.23	\$573.49	\$221.06	\$60,348.01

MOR-8

*Numbers should balance (match) TOTAL RECEIPTS and
TOTAL DISBURSEMENTS lines on MOR-7

Revised 11/08/05

CASE NAME: Rawhide Operating, Inc.
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PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the professionals. Also, for insiders, identify the type of compensation paid (e.g., salary, commission, bonus, etc.). (Attach additional pages as necessary).

INSIDERS: NAME/COMP TYPE	MONTH Oct-09	MONTH 9-Nov	MONTH 9-Dec	MONTH 10-Jan	MONTH	MONTH
1.	0.00					
2.						
3.						
4.						
5.						
6.						
TOTAL INSIDERS (MOR-1)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

PROFESSIONALS	MONTH Oct-09	MONTH	MONTH	MONTH	MONTH	MONTH
1.	0.00					
2.						
3.						
4.						
5.						
6.						
TOTAL PROFESSIONALS (MOR-1)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

MOR-9

Revised 11/08/05